

GENERAL SALES TAX ACT (EXCERPT)
Act 167 of 1933

***** 205.75.amended THIS AMENDED SECTION IS EFFECTIVE MARCH 22, 2016 *****

205.75.amended Disposition of money received and collected; definitions.

Sec. 25. (1) All money received and collected under this act shall be deposited by the department in the state treasury to the credit of the general fund, except as otherwise provided in this section.

(2) Fifteen percent of the collections of the tax imposed at a rate of 4% shall be distributed to cities, villages, and townships pursuant to the Glenn Steil state revenue sharing act of 1971, 1971 PA 140, MCL 141.901 to 141.921.

(3) Sixty percent of the collections of the tax imposed at a rate of 4% shall be deposited in the state school aid fund established in section 11 of article IX of the state constitution of 1963 and distributed as provided by law. In addition, all of the collections of the tax imposed at the additional rate of 2% approved by the electors March 15, 1994 shall be deposited in the state school aid fund.

(4) Not less than 27.9% of 25% of the collections of the general sales tax imposed at a rate of 4% directly or indirectly on fuels sold to propel motor vehicles upon highways, on the sale of motor vehicles, and on the sale of the parts and accessories of motor vehicles by new and used car businesses, used car businesses, accessory dealer businesses, and gasoline station businesses as classified by the department shall be deposited each year into the comprehensive transportation fund created in section 10b of 1951 PA 51, MCL 247.660b.

(5) Beginning October 1, 2016 and the first day of each calendar quarter thereafter, an amount equal to the collections for the calendar quarter that is 2 calendar quarters immediately preceding the current calendar quarter of the tax imposed under this act at the additional rate of 2% approved by the electors on March 15, 1994 from the sale at retail of aviation fuel shall be distributed as follows:

(a) An amount equal to 35% of the collections of the tax imposed at a rate of 2% on the sale at retail of aviation fuel shall be deposited in the state aeronautics fund and shall be expended, on appropriation, only for those purposes authorized in the aeronautics code of the state of Michigan, 1945 PA 327, MCL 259.1 to 259.208.

(b) An amount equal to 65% of the collections of the tax imposed at a rate of 2% on the sale at retail of aviation fuel shall be deposited in the qualified airport fund and shall be expended, on appropriation, only for those purposes authorized under section 35 of the aeronautics code of the state of Michigan, 1945 PA 327, MCL 259.35.

(6) The department shall, on an annual basis, reconcile the amounts distributed under subsection (5) during each fiscal year with the amounts actually collected for a particular fiscal year and shall make any necessary adjustments, positive or negative, to the amounts to be distributed for the next successive calendar quarter that begins January 1. The state treasurer or his or her designee shall annually provide to the operator of each qualified airport a report of the reconciliation performed under this subsection. The reconciliation report is subject to the confidentiality restrictions and penalties provided in section 28(1)(f) of 1941 PA 122, MCL 205.28.

(7) An amount equal to the collections of the tax imposed at a rate of 4% under this act from the sale at retail of computer software as defined in section 1a shall be deposited in the Michigan health initiative fund created in section 5911 of the public health code, 1978 PA 368, MCL 333.5911, and shall be considered in addition to, and is not intended as a replacement for any other money appropriated to the department of community health or its successor. The funds deposited in the Michigan health initiative fund on an annual basis shall not be less than \$9,000,000.00 or more than \$12,000,000.00.

(8) The balance in the state general fund shall be disbursed only on an appropriation or appropriations by the legislature.

(9) As used in this section:

(a) "Aviation fuel" means fuel as that term is defined in section 4 of the aeronautics code of the state of Michigan, 1945 PA 327, MCL 259.4.

(b) "Qualified airport" means that term as defined in section 109 of the aeronautics code of the state of Michigan, 1945 PA 327, MCL 259.109.

(c) "Qualified airport fund" means the qualified airport fund created in section 34(2) of the aeronautics code of the state of Michigan, 1945 PA 327, MCL 259.34.

(d) "State aeronautics fund" means the state aeronautics fund created in section 34(1) of the aeronautics code of the state of Michigan, 1945 PA 327, MCL 259.34.

History: 1933, Act 167, Imd. Eff. June 28, 1933;—Am. 1935, Act 77, Imd. Eff. May 23, 1935;—CL 1948, 205.75;—Am. 1949, Act 272, Eff. July 1, 1949;—Am. 1964, Act 49, Imd. Eff. May 7, 1964;—Am. 1978, Act 428, Imd. Eff. Sept. 30, 1978;—Am. 1982, Act 305, Rendered Tuesday, April 26, 2016

Imd. Eff. Oct. 13, 1982;—Am. 1982, Act 440, Eff. Mar. 30, 1983;—Am. 1987, Act 236, Imd. Eff. Dec. 28, 1987;—Am. 1987, Act 259, Imd. Eff. Dec. 28, 1987;—Am. 1991, Act 70, Imd. Eff. July 8, 1991;—Am. 1993, Act 325, Eff. May 1, 1994;—Am. 2003, Act 139, Imd. Eff. Aug. 1, 2003;—Am. 2004, Act 544, Imd. Eff. Jan. 3, 2005;—Am. 2006, Act 69, Imd. Eff. Mar. 20, 2006;—Am. 2007, Act 69, Imd. Eff. Sept. 28, 2007;—Am. 2008, Act 361, Imd. Eff. Dec. 23, 2008;—Am. 2010, Act 160, Imd. Eff. Sept. 17, 2010;—Am. 2012, Act 225, Imd. Eff. June 29, 2012;—Am. 2012, Act 226, Imd. Eff. June 29, 2012;—Am. 2015, Act 262, Eff. Mar. 22, 2016.

Compiler's note: Enacting section 1 of Act 467 of 2014 provides:

"Enacting section 1. This amendatory act does not take effect unless House Joint Resolution UU of the 97th Legislature becomes a part of the state constitution of 1963 as provided in section 1 of article XII of the state constitution of 1963."

House Joint Resolution UU was presented to the electors as Proposal 15-1 at the May 5, 2015 special election. The proposal to amend the constitution was not approved by the voters and Act 467 of 2014 does not go into effect.